

## PROPOSAL FOR REVIEW

<b>PROJECT TITLE:</b>	<b>UGANDA: PROTECTED AREAS MANAGEMENT AND SUSTAINABLE USE</b>
<b>GEF FOCAL AREA:</b>	Biodiversity
<b>GEF ELIGIBILITY:</b>	Convention ratified September 1993
<b>TOTAL PROJECT COSTS:</b>	US\$107.089 million
<b>GEF GRAND TOTAL:</b>	US\$10.289 million
<b>GEF FINANCING:</b>	US\$10.0 million
<b>COUNTERPART FINANCING:</b>	US\$9.3 million
<b>IDA CREDIT:</b>	US\$32.5 million
<b>DONOR PARALLEL FINANCING:</b>	US\$55.0 million
<b>GEF IMPLEMENTING AGENCY:</b>	World Bank
<b>LOCAL COUNTERPART AGENCY:</b>	Ministry of Tourism, Wildlife and Antiquities
<b>ESTIMATED STARTING DATE:</b>	September 1997
<b>PROJECT DURATION:</b>	Five years
<b>GEF PREPARATION COSTS:</b>	US\$289,000 (PDF Block B Grant)

**UGANDA:  
PROTECTED AREAS MANAGEMENT AND SUSTAINABLE USE**

**COUNTRY AND SECTOR CONTEXT**

1. Due to its specific location in a zone of overlap between the dry East African Savannah and the West African rain forest, Uganda possesses a rich natural endowment of forests, mountains, and waterways, as well as some of the richest assemblages of biological diversity in Africa. Its wide geographical and altitudinal range, spanning from 600 meters to 5100 meters, has resulted in a unique diversity of ecosystems and species. These include extensive wetlands and swamp areas, grass and woodland savannahs, tropical high forests, and Afroalpine forest areas. For its size, Uganda is one of the most species rich countries in Africa. For example, Uganda has more than 11% of the world's bird species and more than 7% of total world mammals.

2. Uganda has an extensive system of protected areas (PAs), including ten national parks, and twenty-nine game reserves, sanctuaries, and controlled hunting areas. But because of the breakdown of law and order over the past two decades, a significant portion of Uganda's protected area system has deteriorated and severe encroachment has occurred. Until the early 1970s, these protected areas served as the basis for a well-established tourism industry that was the country's third largest foreign exchange earner. Fifteen years of political instability subsequently took a heavy toll on the country's economy and resources, including its wildlife, protected areas and tourism infrastructure.

3. Rehabilitation and management of conservation areas, revitalization of the tourism industry, and empowerment of local governments and communities to manage and benefit from sustainable use of natural resources, are now high priorities for the Government of Uganda (GOU), as demonstrated by important policy and institutional reforms already completed or underway. The functions of the former Game Department and the parastatal Uganda National Parks have been merged into a new parastatal organization, the Uganda Wildlife Authority (UWA), which has overall responsibility for all parks and game reserves and also for all wildlife in the country. UWA has an explicit policy of promoting community participation in management and benefits.

4. The GOU has obtained technical and financial assistance from multilateral, bilateral and NGO sources to develop the UWA and to help rehabilitate and improve management of a number of individual parks. A recently adopted national Integrated Tourism Master Plan (ITMP), which was completed two years ago with assistance from UNDP and the World Tourism Organization (WTO), identifies priority needs and areas for development. The plan is based on PAs as the primary attraction, with a secondary emphasis on cultural assets. It emphasizes that growth in the sector must follow a modest pace corresponding to the rate of recovery of the underlying natural assets and the rehabilitation and expansion of the supporting infrastructure.

5. The GOU has taken a number of other important steps to facilitate and promote tourism, including upgrading of the Entebbe international airport, granting commercial

concessions for private sector development of tourism facilities in selected PAs, and waiving visa requirements for 33 countries. GOU has also established the Uganda Tourism Board (UTB), which is an autonomous body composed of public and private sector interests with an overall mandate to promote and market Uganda as a tourist destination. The recently adopted National Environmental Action Plan (NEAP) serves as the framework for improving environmental protection, including conservation of biodiversity and other natural resources, through sustainable use including tourism. Empowerment of communities for natural resource management, as called for in the NEAP, is being promoted through a decentralization policy, supported by a recently enacted Decentralization Act.

## **PROJECT OBJECTIVES AND DESCRIPTION**

### **National Policy and Planning Context**

6. The Government's broad objectives for protected area development mirror its international obligations to the Convention on Biological Diversity, which it ratified in September 1993. These broad objectives include:

- to protect, manage and develop Uganda's PA system, wildlife resources and associated biological and cultural assets.
- to promote their sustainable, environmentally sound use in order to ensure their long-term survival.

The PAMSU project will focus on three broad mechanisms to achieve these objectives:

- building a national and local constituency for conservation of biodiversity at local and national levels.
- capacity building for institutions and organizational arrangements which make for and reward effective partnerships in conservation between the national and local governments and local community-based entrepreneurs and groups.
- promotion and catalytic investment in economically viable and environmentally sustainable tourism industry growth that is coherent from the national to the local levels.

### **Specific Project Objectives**

7. The proposed project integrates the first time-slice and most urgent elements of the GOU "Conservation and Sustainable Tourism" (CAST) program to implement the ITMP and restore and expand the tourism industry in Uganda with additional efforts to support globally important biodiversity. The CAST program involves a number of agencies and parastatal organizations under the Ministry of Tourism, Wildlife and Antiquities (MTWA); most of these are relatively new or have recently been restructured, and are adapting to a new policy environment that emphasizes decentralization and private sector development. Hence,

in harmony with the Government's objectives for biodiversity conservation, the project's specific operational objectives include:

- (a) **to support institutional development and human resource capacity building within the Ministry of Tourism, Wildlife and Antiquities** and its key agencies and associated institutions to enable them to fulfill their roles of policy development, planning, promotion, regulation and human resource development in the wildlife and tourism sectors, and to maintain and manage the country's natural and cultural assets.
- (b) **to support rehabilitation and improvement of high-priority infrastructure and facilities** in PAs and of relevant educational facilities and cultural attractions.
- (c) **to promote participation of District governments and local communities in conservation and economic development activities**, both by supporting the development of UWA's policy of "collaborative management" of the PAs, and by assisting Districts to incorporate tourism in their development plans and programs.
- (d) **to catalyze greater private sector investment in tourism enterprises** by supporting the Uganda Tourism Board's promotional activities, strengthening governmental support services such as collection of tourism statistics and hotel classification, ensuring the availability of credit on competitive terms, improving access to tourism attractions and encouraging increased private sector support for conservation.

8. The level and rate of investment in each aspect will be based on the absorptive capacity of the implementing institution and on the sustainability of the proposed development, as demonstrated by rigorous financial and other feasibility studies.

9. The project will have three main components:

- (a) **Management and conservation of protected areas and biodiversity.**

Specifically:

- (i) development and strengthening of the protected areas authority (i.e., UWA);
- (ii) direct investment in rehabilitation and improved management of national parks, other key protected areas, and selected sites of importance to conservation and tourism, including support to sites of global importance but little or no immediate economic return;
- (iii) capacity building and direct assistance for locally-based tourism development and other activities, such as sustainable harvesting of

medicinal plants, building materials and specialized foods in buffer zones; and,

(iv) rationalization and support to implementation of the national protected areas system.

(b) **Planning, promotion and regulation of environmentally sustainable tourism.**

Specifically:

(i) strengthening GOU institutional capacity at central, district and local levels; and,

(ii) providing a supportive environment and assistance for indigenous private sector development.

(c) **Strengthening of the MTWA.**

Specifically, strengthening its capacity for:

(i) further development of a supportive policy and legislative framework and planning for the sector;

(ii) continued operation of the Project Coordination Unit established under the PPF;

(iii) coordination of the diverse elements of the PAMSU project and the CAST program; and,

(iv) planning and implementation activities of the various implementing agencies, including donor coordination.

### **Phasing of Project Implementation**

10. The proposed duration and design of the project takes into account the relative newness and the limited absorptive capacities of several of the implementing institutions. It is also acknowledged that there is a need for further refinement of sectoral strategies and development plans prior to substantial investment in capital development. It is therefore proposed that the project be implemented in two phases.

11. **Phase 1 (Project Years 1 and 2) will emphasize institutional and human resource development and capacity building.** It will include modest levels of support for high-priority rehabilitation and development of infrastructure and facilities needed for improved management of PAs and cultural assets, with these investments to be specified in detail in work plans agreed at project appraisal. In addition, Phase 1 will support studies, analyses, and preparation of feasible and cost-effective development plans for the key sectoral

institutions, as a basis for directing further investment. Among the key activities in Phase 1 will be a survey and rationalization of the PA system (much of which has been seriously degraded and biologically impoverished in the past several decades), to ensure that investment and operational resources are directed toward the areas of greatest ecological, biodiversity and economic importance and potential. Additional GEF funding will allow activities to be extended to areas of high global biodiversity but with no economic potential in the short term.

12. **Phase 2 (Project Years 3 to 5) will support more substantial investment for capital development**, based on the studies and planning carried out during the Phase 1. While initial estimates have been made of Phase 2 requirements, the overall financing requirements for Phase 2 will be finalized at appraisal, based on the best estimates and predictions that can be made at that time regarding future requirements and absorptive capacities of the implementing institutions. It is anticipated, however, that a substantial part of the Phase 2 funding will be provided in a relatively unprogrammed form (i.e., general funds for training, capital development, operational support, research, etc.) Specific allocations of these funds among institutions and among programs and activities would be made at the time of Midterm Review, based on a thorough assessment of their respective progress during Phase 1 and an evaluation of their investment proposals for Phase 2. This will create a strong incentive for institutions to build their capacity, to implement their programs efficiently, and to prepare sound development and investment plans to qualify for additional support.

### **Description of the Overall Project**

13. Consistent with the project objectives, the PAMSU project will focus primarily on better defining, consolidating and effectively managing the national protected area estate of Uganda. Nine out the ten national parks and adjacent buffer areas will be targeted for support. The tenth park, Murchison Falls National Park, is already fully supported through GTZ and is therefore not included in the PAMSU program. (details of the specific sites and GEF justification are provided in Appendix 1). The project will complement and build on existing support to the wildlife and tourism sector. Many of Uganda's protected areas are of recognized regional and global importance (IUCN, 1986, 1990). The source of financing for each component reflects the extent to which that component represents a core activity aligned with the fundamental commitment of government to strengthen and maintain protected areas for economic and national heritage reasons, and the extent to which Government has agreed, consistent with its obligations to the Convention on Biological Diversity, to protect and sustainably utilize Uganda's biodiversity beyond a nationally justified and affordable level, providing the agreed incremental costs of this additional effort is met by other concessional funding, such as the GEF and bilateral donors.

14. The original concept for the GEF component of PAMSU, for which a PDF grant was received, focused on biodiversity conservation outside protected areas, especially in the Karamoja region. During the preparation process and through extensive investigation it became clear that the opportunity to develop a program based on the sustainable wildlife utilization outside the protected areas system was not feasible because of a fundamental lack

Table 1. Financing Summary of PAMSU Sub-components involving Incremental GEF Contributions (US\$ million)			
Sub-component	GEF	IDA	GOU
III. (a) UWA Headquarters Support	1.00	12.36	2.16
III. (b) UWA Field Operations	3.23	5.17	2.21
III. (c) UWA Community Programs	0.50	0.00	0.04
III. (d) PA System Plan Implementation	2.85	1.43	0.04
IV. (a) Uganda Wildlife Education Center	1.00	0.79	0.47
IV. (b) Wildlife Clubs Pilot Projects in PAs	0.34	0.00	0.00
V. Forest Ecotourism	0.50	0.00	0.13
VI. Wildlife Department	0.09	0.00	0.03
VIII. Project Administration & Support	0.50	0.50	0.23
GEF PDF Block B Grant	0.289		
Sub-totals*	10.289	20.25	5.31
* Note: Sub-components I, II and VII, which are omitted from this summary table as they involve no GEF contributions, account for additional financing requirements as follows: IDA = US\$12.23 million; GOU = US\$4.05 million; and, Donor Parallel financing of \$54.96 million. See Annex Table A1.2 for complete disaggregation.			

of wildlife resources outside the PA system. The wildlife resource base in Uganda has been severely depleted during the past two decades and what does exist is contained mostly inside the PA system. Therefore, the focus of GEF financing has been re-oriented to support the better management and protection of biodiversity within the PA system and PAMSU will be extended to additional areas of global significance. However limited resources will be provided under the project for pilot community wildlife management areas in some regions with good wildlife populations.

15. Table A1.2 summarizes the cost and financing plan of the overall project, which consists of seven sub-components and has a total cost of US\$106.8 million. The GEF is requested to assist in financing only four of these sub-components, which are summarized in Table 1 above and described in paragraphs 16-31 below. The analysis of incremental costs and global benefits on which the request for GEF financing is based is shown Annex I. In the interests of providing a complete project description, the three sub-components for which GEF financing is not requested (and which comprise a major proportion of the 'baseline' as described further in Annex I) are as follows:

- **Sub-component I - Core Institutional and Physical Infrastructure (Total = US\$55.0 million; GEF = US\$0).**  
This reflects a wide range of current commitments through parallel financing for investments in high priority core national development programs, many of which have already been initiated.
- **Sub-component II - Tourism Development and Support for Department of Antiquities and Museums (Total = US\$15.5 million; GEF = US\$0).**  
This reflects support associated with tourism and cultural activities that are of high GOU priority and that are expected to generate economic returns for the nation as a whole. While funding for this sub-component has not been secured in full, no GEF funds are dedicated to these activities.
- **Sub-component VII - Uganda Wildlife Training Institute (UWTI) (Total = US\$806,000; GEF = US\$0).**  
UWTI has been established recently and this relatively small component is expected to meet a number of domestic training needs, in areas of high priority to the GOU that are expected to yield immediate domestic benefits.

#### **Detailed Description of the Components for which GEF Support is Requested**

##### *Strengthening of Uganda Wildlife Authority (Sub-component III)*

16. (a) Headquarters and Administration. (Total = US\$15.52 million; GEF = US\$1.00 million). Specific elements under this sub-component include support for strengthening management functions at the level of the Executive Director's office and for the Directorates of Human Resources, Community Conservation, Field Operations, Commercial Operations, Planning/Monitoring/Research, Finance and Administration, and Education and Interpretation. The IDA and GEF funds will complement existing support by other multi-lateral and bilateral donors, for example in the areas of planning, research and ecological monitoring. To address the serious current limitations in UWA's management capacity, the project will finance outsourcing of selected managerial services, short- and long-term TA, and training. To improve UWA management's program implementation and oversight capacity, the project will finance construction (and interim rental) of Headquarters facilities, urgently needed vehicles and equipment and incremental operating costs. Support for the community conservation directorate and program will include funds for technical assistance and program support to enable UWA to develop and implement programs for: (i) collaborative management of PAs (involving adjacent communities) and (ii) addressing wildlife management issues outside PAs, including aspects such as 'problem animal control,' establishment of community wildlife management areas, and encouraging and assisting local communities to make use of wildlife resources (including medicinal plants) in a sustainable way. For the latter, UWA will collaborate with and assist district and local governments and community-based organizations, which have been extensive authority and responsibilities under the new wildlife act.



17. The GEF share of this component reflects the incremental cost of establishing and administering a protected area system that contributes to protection of global biodiversity but is larger than economically justified in the face of competing land uses and the basic needs of a large and relatively poor rural population. Financial sustainability of this higher central government commitment may be built up over the project period through reform of park entrance and other user fees.

18. (b) Field Operations. (Total = US\$10.61 million; GEF = US\$3.23 million). This sub-component would assist UWA to improve its operational capacity in the field, through: rehabilitation and improvement of high priority infrastructure (roads, ranger housing, visitor facilities etc.); transport; uniforms, equipment, and field allowances for rangers and wardens; training; educational and interpretation facilities and services (including UWA liaison with

the pilot program described below, to be implemented by the Wildlife Clubs of Uganda) and miscellaneous other needs such as establishment of woodlots to decrease PA staff pressure on local vegetation.

19. The GEF funding of field operations is a higher share than of headquarters expenditures because the additional level of effort to maintain a PA system that ensures a comprehensive conservation and sustainable use of a fully representative set of Uganda's biodiversity is concentrated at the decentralized field level. This effort is focused on maintaining infrastructure, supporting surveillance and monitoring, and providing ongoing training in remote but biologically important areas typically not benefiting sufficiently from ecotourism.

20. (c) UWA Community Programs. (Total = US\$531,000; GEF = US\$496,000). UWA's community conservation program will focus on "collaborative management" of PAs and collaboration with district and local government and communities on wildlife management outside PAs. Community involvement in the protection and management of PAs is on going and will be expanded as part of the UWA mandate. A number of community management programs and activities already exist through support from NGOs such as AWF, WWF and IUCN, etc. UWA will continue to support these initiatives and collaborate with both local and international NGOs in the implementation of the collaborative management program of UWA. Based on its limited capacity and resources and on the experience of similar institutions in other countries, UWA management has indicated it will not attempt to establish a broad program or internal technical capacity aimed at promoting and supporting the development of wildlife-related enterprises by local entrepreneurs or community groups. The project will, however, support a modest pilot program of this kind to be implemented by an experienced NGO or other independent organization, with the support and cooperation of the MTWA and UWA as appropriate. In effect, it will serve as a 'demonstration project' for selected activities that may have direct conservation benefits. Based on experience elsewhere and on the availability of numerous other sources for financial assistance to small and medium scale enterprises in Uganda, this sub-component of the project will not include grants or loans for direct investment in such enterprises. This small pilot project, funded almost entirely through GEF, will for the most part complement the broader program of promotion of private sector investment in environmentally sustainable tourism (e.g., Sub-

component II), which will be supported by IDA, and perhaps other donors, under the PAMSU project.

21. (d) Implementation of the National Protected Areas System Plan. (Total = US\$4.32 million; GEF = US\$2.85 million). UWA, with support from the EU, has initiated a process of assessing the current status of the PA system with the aim of rationalizing it. Such a rationalization would involve revising and re-aligning it as needed to ensure that it (i) protects a high-quality, representative sample of the country's biodiversity heritage and ecosystems, (ii) is manageable in the long term, and (iii) provides a suitable basis for a sustainable tourism sector. The assessment process is expected to take about 18 months; it will include ecological/biodiversity, economic and social criteria and will involve participation of national and local governments and potentially affected communities. Once the rationalization exercise is completed, this sub-component of the project will help support activities needed to implement the resulting new "PA Systems Plan." These may include, *inter alia*, addition, deletion or reclassification of areas, re-alignment of some PA boundaries, and in some cases resettlement of people who have come to occupy parts of some PAs during the years of insecurity and inadequate management. Any resettlement will be carried out in full compliance with the Bank's policies and Operational Directives.

22. The GEF is called upon to support this activity in its implementation phase, to ensure inclusion of areas of globally significant biodiversity. This is because little is known with precision of the coverage of Uganda's protected areas of the nation's biodiversity (degree of replication, total absence of PA coverage, etc.) and the definition of appropriate boundaries, resolution of disputes outstanding and arising from the process, including compensation and resettlement, are part of an expensive process of "capitalization" of the change towards an improved PA system. Because of Uganda's commitments under the Biodiversity Convention, this is a much more comprehensive effort than would be warranted to meet Uganda's more limited objectives of maintaining only the most affordable of the existing PAs.

#### *Conservation Education (Sub-component IV)*

23. (a) Uganda Wildlife Education Center. (Total = US\$2.26 million; GEF = US\$1.00 million). This sub-component would provide incremental support to UWEC (an independent trust) to improve its physical facilities (formerly the Entebbe Zoo) and strengthen its educational programs. Project-supported capital development at UWEC's Entebbe facility would include improved animal holding and veterinary facilities which would serve not only UWEC needs but those of the Wildlife Department and UWA as well.

24. GEF resources would support conservation education awareness programs; the captive animal facilities would be supported from IDA funds. The relatively high proportion of GEF assistance to this component recognizes that, in the very long term, better public awareness of Uganda's unique national biological heritage and the economic benefits of biodiversity conservation will build support and willingness to pay for conservation of these resources in the face of competing land-use and other development pressures

25. (b) Wildlife Clubs of Uganda Pilot Projects in PAs. (Total = US\$336,000; GEF = US\$336,000). WCU is the leading national conservation NGO in Uganda and has been supported in the past from Uganda National Parks and through periodic grants from a number of donors. Its central organization has a mandate to coordinate a nationwide network of clubs, which focus on conservation education and wildlife monitoring. A series of pilot projects will be developed in selected PAs to strengthen local capacity for delivering conservation education programs, at the decentralized level, that highlight the local and global importance of biodiversity protection.

*Forest Ecotourism Pilot Project (Sub-component V)*

26. Forest Ecotourism. (Total = US\$634,000; GEF = US\$501,000). In addition to the National Parks and Game Reserves, Uganda has a number of Forest Reserves (FR) which contain important biodiversity which is under threat from over-exploitation and encroachment. Although many of the forest reserves are not connected by forest corridors it has been shown that together they are protecting important biological elements which could be lost if forests are further encroached and fragmented. These FRs are under the jurisdiction of the Forest Department, within the Ministry of Environment and Natural Resources. Improved management of the FRs has not been included within the main elements of the project as this would lead to a much more complicated, and probably unworkable, project administration and management structure. In recognition of the biological and potential economic significance of the FRs, however, this sub-component of the project will support an ongoing initiative of the Forest Department (Ministry of Environment and Natural Resources) to assist community groups in establishing and running small-scale ecotourism operations associated with Forest Reserves. Criteria and procedures for this sub-component will be defined at project appraisal.

27. A substantial GEF share in financing these activities recognizes that community support for biodiversity conservation will ultimately depend on economically rewarding livelihoods that conserve or sustainably utilize Uganda's biological heritage. As there are many risks and uncertainties associated with start-up of new enterprises that are truly of this character, it is reasonable that GEF assist in financing the costs of this risk, so long as it is shared with the community and individual entrepreneurs at a level ensuring their commitment to successful outcomes. Mechanisms to identify and dispose of these resources will be finalized at appraisal, based on the criteria of engendering community participation and sound technical and financial judgment.

*Wildlife Department (Sub-component VI)*

28. Wildlife Department. (Total = US\$122,000; GEF = US\$89,000). This sub-component would provide support in the form of training, equipment, management support and technical capacity building to enable the Wildlife Department of MTWA to carry out Uganda's responsibilities under relevant international treaties, and in particular to function effectively as the Management Authority for the Convention on International Trade in Endangered Species (CITES).

29. The requested GEF assistance for this activity recognizes the need for additional training, surveillance and technical facilities, especially for strengthening monitoring and regulating trade in live animals and animal and plant products listed under CITES.

*Project Management (Sub-component VIII)*

30. Project Administration and Support. (Total = US\$1.23 million; GEF = US\$0.50 million). This sub-component will assist the MTWA to coordinate the implementation of the project, including overall administration of project funds, assistance to and administrative oversight of the different implementing institutions, and monitoring and evaluation of project progress and impact. It will support the establishment and operations of a small Project Coordination Unit under the Planning Dept. of MTWA, and the incremental costs of a cross-sectoral and cross-institutional Project Steering Committee. A monitoring and evaluation plan will be developed during final project preparation to monitor the impact of the project on global biodiversity including monitoring of key indicator species. Institutions of proven capacity will be called upon to assist in the collection of baseline data and implementation of the monitoring component.

31. GEF is asked to support core project administration overheads to the extent of the estimated burden of the incremental GEF-assisted activities. Given the extensive field-based nature of these, the GEF's relative contribution is higher than its share of overall project financing.

**PROJECT FINANCING**

32. The project will be financed with an IDA Credit of US\$32.5 million, a GEF grant of US\$10.0 million, and bilateral grants and/or loans at a level that will be confirmed during project preparation and appraisal. The European Commission and several bilateral donors (e.g., ODA, Netherlands Government, GTZ, USAID) have already expressed an interest in providing cofinancing or parallel financing, particularly for institutional development and capacity building in UWA, for rehabilitation and improved management of PA's (including

implementation of the resettlement policy), for rehabilitation of key access roads and other infrastructure, and for training and for tourism promotion through the Uganda Tourism Board.<sup>1</sup>

33. The GOU will contribute US\$9.3 million of the total project costs, in counterpart funding, taxes and duties, and in general operational support (office facilities, salaries, etc.) through budgetary subventions for the implementing government departments and parastatals. Those beneficiary institutions which earn revenue (e.g., UWA and UWEC) will also contribute to the program in the form of general operational support. The private sector

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<sup>1</sup>Several donors, such as USAID, GTZ, GEF and EC are currently supporting institutional strengthening and PA management activities that complement the proposed PAMSU project, which is being prepared in close consultation with them. These activities reflect the US\$55.0 million of financing shown in the various summary tables corresponding to 'Core Institutional and Physical Infrastructure' for Sub-component I.

will be an important partner in, and contributor to, the program through participation and cost-sharing in the tourism promotion and regulation aspects (e.g., in implementation of hotel classification and tourism statistics systems, tourism promotion and information activities and training) and through investment in establishment and operation of tourism facilities. Beneficiary community groups will contribute a percentage of the cost of micro-projects financed under the project component aimed at promoting community-based sustainable use.

## **RATIONALE FOR GEF FINANCING**

34. The Government of Uganda ratified the *Convention on Biological Diversity* in September 1993. In addition, it has ratified the CITES and the *Ramsar Convention* on wetlands. The Government's commitment to environmental protection and sustainable natural resource conservation and management is laid out in the National Environmental Action Plan (NEAP) approved by Parliament in June 1994, and in the Uganda Biodiversity Country Study. In the NEAP, the Government makes a commitment to conserving biodiversity both inside and outside protected areas.

35. The activities proposed under the project are in accordance with the GEF Operational Strategy for Biodiversity. The project is Uganda's major initiative to effectively integrate the conservation of biodiversity into national development. It focuses on a range of ecosystems representative of Uganda's biodiversity, including savannahs, mountains and forests. It will therefore contribute to the GEF operational programs for Arid and Semi-arid Ecosystems, Mountain Ecosystems and Forest Ecosystems. As called for by these programs and in support of Article 8 of the CBD the project focuses on *in situ* conservation in designated areas of biodiversity importance. The project is also consistent with guidance from the COP of the Convention on Biological Diversity as it addresses *in situ* conservation and sustainable use and includes (i) capacity building; (ii) strengthening the conservation, management, and sustainable use of ecosystems and habitats and endemic species; (iii) strengthening the involvement of local and indigenous people; and, (iv) integrating social dimensions including those related to poverty. It responds to COP3 guidance by: providing capacity building, especially to local and indigenous communities through innovative mechanisms to involve them in protected area and wildlife management; providing support to activities that relate to other international conventions; creating economic incentives for the conservation of biodiversity; promoting conservation awareness and information dissemination.

## **PARTICIPATION AND SUSTAINABILITY**

36. Project preparation has involved extensive participation by stakeholders, including GOU, indigenous and international NGOs, universities, private tourism operators, District and local governments, multilateral and bilateral donors and representatives of communities adjacent to PAs and other wildlife areas. A Project Steering Committee comprising representatives of various Ministries and parastatal institutions is responsible for setting the framework for the project and advising MTWA on cross-sectoral aspects. The project preparation teams included numerous Ugandan specialists drawn from the public and private

sectors. The teams' Terms of Reference included the holding of inception, interim and final workshops as well as field visits to disseminate the objectives of the proposed project and to discuss specifics of design and implementation. The identification and pre-appraisal missions also held day-long, open meetings that were always well attended and usually covered by the local media; the missions also included travel to many areas of the country to assess the situation on the ground and to meet local officials and community members. Preparation of the community conservation sub-component in particular included a broad consultation process culminating in a workshop in Masinde in which community and local government representatives were invited to discuss the principles of "collaborative management" of PAs and to articulate their problems, priorities and expectations regarding wildlife and biodiversity management in general. The MTWA and UWA are committed to continuing this participatory approach in the implementation phase. The new Wildlife Act contains very progressive provisions empowering local governments and communities to take an active role in wildlife management, and the project will support UWA's efforts (through the Community Conservation Directorate and through individual PA management activities) to implement these provisions. A system of Park Management Advisory Committees already serves as the main forum for communication and negotiation between UWA and communities within and adjacent to PAs on PA management issues. The Project Steering Committee will be broadened to include more non-governmental stakeholders and the project's Monitoring and Evaluation program will include a participatory approach.

37. The project would contribute to the sustainability of all the implementing institutions by assisting them to prepare and to implement sound development plans based on rigorous financial and other feasibility studies. The largest component would assist the new UWA to develop into an effective, largely financially autonomous organization, with business-like management and the financial and technical capacity to maintain and manage Uganda's PA system and its biodiversity resources. Other sectoral institutions such as the UWEC, the UWTI, Wildlife Clubs of Uganda, the Uganda Tourism Board and the proposed parastatal "National Commission for Antiquities and Museums of Uganda" (replacing the Department of Antiquities and Museums) would also be assisted, through technical assistance and capital investment, to achieve appropriate levels of commercialization and financial sustainability. At both the national and District/local levels, the aim is to ensure sustainable utilization of natural areas and their biological resources. The Community Conservation sub-component would strengthen the capacity of District and local governments and communities to implement their responsibilities and benefit from the opportunities presented by the new Wildlife Act. In the IDA-funded tourism promotion and regulation sub-component, the emphasis would be on promotion of private sector enterprises, with minimal GOU involvement and costs limited to critical regulatory and supporting functions. Facilities such as the UWEC, UWTI, tourism training institute and tourism information centers will be designed to generate revenues to contribute to covering their operating costs.

## **LESSONS FROM PREVIOUS BANK/IDA EXPERIENCE**

38. The ongoing Bank-assisted "Protected Areas and Wildlife Service" (PAWS) project and the earlier (1976) Wildlife and Tourism project in Kenya provide valuable lessons regarding various aspects which are highly relevant to the proposed project. In particular,

such lessons include: (i) the need for a supportive policy and legislative environment; (ii) the need for a complementary institutional framework; (iii) an appropriate nature, scale and pace of investment relative to absorptive capacity; (iv) the need to pay attention to recurrent costs and potential sustainable financing mechanisms to meet them; (v) the need for flexibility to adapt to changing circumstances and conservation challenges; and, (vi) the design efficiencies achieved through donor integration. These lessons have been applied by the GOU and MTWA in revising the wildlife policy and legislation, in establishing the organizational structure and policies for the UWA (e.g., in relation to community participation and revenue sharing), and in defining the scope, scale and design of the proposed project. The ongoing preparation of a Tourism Infrastructure Project in Tanzania, under a Bank-executed Japanese Technical Assistance Grant, also offers valuable insights on policy aspects and on planning of infrastructure development. The Bank is also assisting many other projects in Africa and elsewhere in support of community-based conservation and sustainable use and management of natural resources. Experience from these projects underlines the importance of ensuring that an “enabling environment” exists to allow effective local participation in conservation of biodiversity and protected areas and that decisions regarding management and use of natural resources should go as far as possible to the final beneficiaries. These programs, as well as a variety of primarily social sector programs, provide lessons and models for involvement of NGOs in planning and implementation. Also, projects in a wider variety of sectors yield guidance in mechanisms that can stimulate private sector investment and development at a small and medium scale, which will be an important focus of the proposed project. Finally, to the extent that resettlement will be required (based on the findings of the PA survey and rationalization exercise), the project will draw upon the extensive experience and guidance on best practice available from the Bank’s environment and social policy units at regional and central levels.

## **ISSUES AND ACTIONS**

39. During the war years, most of Uganda’s PAs and their flora and fauna deteriorated greatly, through wildlife poaching and encroachment of agriculture and livestock in the absence of effective protection. Tourism facilities and infrastructure also degenerated so that their quality is now far below that found in neighboring countries who compete in this wildlife tourism market. Project implementation will include a nationwide survey and assessment to review the status of all protected areas, and to set priorities for investment of financial and human resources. The project will assist the responsible authorities to develop and implement a consistent and equitable policy for handling encroachers, which is one of the most sensitive issues in management of PAs. The tourism promotion and regulation component will support GOU’s strategy (as laid out in the ITMP) of fostering a moderate pace and scale of tourism development, consistent with the rate of recovery of the natural and physical assets, and protecting them against over-exploitation and deterioration.

## **RISKS AND MITIGATIVE ACTIONS**

40. Tourism Sector Volatility. The main risk is that growth of the tourism industry in Uganda will either proceed too quickly or without proper planning, at the expense of environmental/conservation and social development objectives, or too slowly, leading to

unsustainability of conservation programs and of related community-based enterprises. Various factors could discourage private investment and impede growth of the tourism industry, including competition for investment from other countries offering similar opportunities, inadequate access to credit at appropriate scales, recurrences of political instability, GOU slowing or backtracking on economic reforms, failure of wildlife populations and PAs to recover to earlier quality, conflicts between economic development and conservation objectives, etc. The project aims to promote and support a program of reasonably phased and well regulated tourism development in keeping with the ITMP, to restore Uganda's competitiveness as a tourism destination and to strengthen the responsible authorities to ensure proper sectoral planning and management of the protected areas. In view of the potential volatility and vulnerability of tourism revenues to political and economic factors beyond the control of MTWA, however, the project does not focus exclusively on tourism as a form of utilization of protected area resources, or as the sole justification or support for conservation of protected areas and biodiversity.

41. Inter-agency Coordination. The risk of inadequate coordination among the various implementing institutions is being addressed by providing for technical and operational assistance to the existing MTWA Project Coordination Unit. The Project Steering Committee and the MTWA Project Coordination unit will help to ensure that their activities complement one another and result in an integrated development program for the sector, including coordination of donor support. At the same time, the number of institutions involved helps to avoid over-stretching the capacity of any one. Another risk is that the capacity and effectiveness of some the implementing institutions may not increase at the pace anticipated, making it difficult for them to develop and implement plans effectively and ensure efficient use of project funds. For this reason, the first phase of the project emphasizes institutional and human resource development and planning, while the second phase will provide for more substantial investment in capital development for those institutions and programs that demonstrate the ability to achieve their objectives.

## **PROJECT IMPLEMENTATION**

42. Project preparation and implementation will be coordinated by a Project Coordination Unit within the Ministry of Tourism, Wildlife and Antiquities (MTWA), partly supported by the project. The main implementing agencies will be departments and parastatals of the MTWA and associated bodies and institutions (i.e., the MTWA Planning Section and the Tourism Commission, the Wildlife Department, the UWA, the Uganda Tourism Board, the Uganda Tourist Association, the Department of Antiquities and Museums/ National Commission for Antiquities and Museums of Uganda, the UWEC). In some cases, the UWA will contract with other institutions to implement specific components (e.g., Wildlife Clubs of Uganda and other NGOs for the education and the community-oriented conservation programs) or provide services (e.g., Uganda Wildlife Training Institute for ranger training). District level bodies, such as the District Development Committees, District Environment Committees, and community-based organizations would play an important role in implementation of the community conservation/development component. The component for community-based ecotourism in Forest Reserves would be implemented by the Forest Department of the Ministry of Environment and Natural Resources.



43. The relatively large number of institutions involved results from the broad scope of the project, which aims to ensure an integrated and coordinated growth of the essential components of the sector. As noted in the ITMP, certain key elements must be developed in parallel; these include: (i) rehabilitation of the asset base (particularly PAs and wildlife resources); (ii) improvement and expansion of access infrastructure and visitor facilities and services; and, (iii) enhancement of regulatory capacity of the Government. Specifically, the roles of key agents in pursuing these aims are as follows:

- MTWA will ensure the overall continued development of appropriate policy and legislative frameworks that promote and support implementation of the ITMP and the sustainable development of sectoral institutions. Cross-sectoral coordination will be ensured by the continued role of the existing Project Steering Committee, chaired by the Permanent Secretary of MTWA. The Tourism Commission, in collaboration with the private sector through the Uganda Tourism Association and Uganda Tourism Board, will implement activities relating to tourism promotion, regulation and management at the national level (e.g., hotel licensing and classification, development and maintenance of tourism information centers and other sites, maintenance of a tourism statistical database, and establishing a strategy and program for human resources development in the sector.) The Wildlife Department will be responsible for components relating to national wildlife policy, including monitoring of wildlife resources nationwide and implementation of Uganda's responsibilities under the CITES and other international conventions and agreements. The Department of Antiquities and Museums will implement activities aimed at restoring and managing cultural sites and assets. The Planning Department will continue to coordinate the overall CAST program and the PAMSU project, including assisting the various agencies and parastatals under its umbrella to plan, finance and implement their respective development programs.
- UWA will be responsible for implementation of all aspects relating to management of PAs under its jurisdiction, including infrastructure development and management, regulation of private sector investment within PA boundaries, and managing the sustainable use of their biological resources. It will also coordinate NGO implementation of educational and community-based conservation programs and assist District and local governments to plan and implement sustainable wildlife management activities.
- District and local governments, in collaboration with NGOs and community organizations, will be primarily responsible for identifying and implementing community-based tourism activities and supporting infrastructure, working through existing decentralized planning and implementation mechanisms.
- Local and international NGOs will help design and implement the components for increasing community involvement and benefit in PA and wildlife/biodiversity management. This includes two aspects: (i) "collaborative management" of PAs involving adjacent communities; and, (ii) community-

based management of wildlife habitats and resources outside the PAs (but including the newly designated "Community Wildlife Areas.") UWA will take direct responsibility for the former, although it will contract a number of specific activities to NGOs. For the latter, it will provide advice and Technical Assistance and modest support, but the responsibility for implementation will lie with the District and local governments and community-based organizations, which are seen as the principal stakeholders. To avoid over-stretching these institutions, the project will link with other activities focused at this level, such as the Bank-supported Institutional Capacity Building project and the Environmental Management Capacity project. For both aspects, the project will also focus initially on a limited number of pilot areas to test and refine approaches, particularly in the first two years.

NAME OF SITE	ECOSYSTEM	SIZE	OUTSTANDING FEATURE	MAIN THREATS	GEF JUSTIFICATION
Queen Elizabeth N.P. and adjacent buffer zone	Savannah Woodland with Rift Valley	2,461 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Kazinga Channel</li> <li>Crater Lakes</li> <li>Giant forest hogs</li> <li>Many species of water birds</li> <li>Hippos, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Poaching</li> <li>Encroachment</li> <li>Fishing villages expanding</li> </ul>	<ul style="list-style-type: none"> <li>Contains the Lake George Ramsar Site</li> <li>Biosphere Reserve</li> <li>Constitutes the only fully protected parts of the ecosystem mosaic with highest known mammalian carrying capacity in the world</li> </ul>
Kidepo Valley N. P. and adjacent buffer zone	Savannah Woodland	1,442 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Cheetah</li> <li>Ostrich</li> <li>The Kidepo Valley with Borassus palm forest</li> <li>Kudu</li> </ul>	<ul style="list-style-type: none"> <li>Poaching</li> <li>Wild fires</li> </ul>	<ul style="list-style-type: none"> <li>Represents the Karamoja/Turkana Dry mountain ecosystem</li> <li>Regional endemism</li> <li>Stop over for palaearctic bird migrants</li> </ul>
Lake Mburo N. P. and adjacent buffer zone	Savannah	260 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Zebra</li> <li>Impala</li> <li>Rare birds, e.g. Narina's trogon</li> <li>Eland</li> <li>Roan Antelope</li> </ul>	<ul style="list-style-type: none"> <li>Boundary uncertainty</li> <li>Encroachment</li> <li>Animal grazing</li> <li>Poaching</li> </ul>	<ul style="list-style-type: none"> <li>Supports 3 Red data book species of birds</li> <li>Consensus part of the unique Inter-lacustrine grassland ecosystem</li> <li>Included in the IUCN's endangered parks of the world</li> </ul>
Bwindi Imp. N. P. and adjacent buffer zone	Afro Montane Forest	331 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Mountain Gorilla</li> <li>Rare birds</li> <li>Chimpanzee</li> </ul>	<ul style="list-style-type: none"> <li>Pit sawing</li> <li>Wildfires</li> <li>Encroachment</li> <li>Boundary uncertainties with Zaire crop raiding</li> </ul>	<ul style="list-style-type: none"> <li>World Heritage Site</li> <li>One of the last habitats for the worlds largest remaining mountain gorilla population</li> </ul>
Mgahinga Gorilla N. P. and adjacent buffer zone	Afro Montane Forest	27 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Mountain Gorilla</li> <li>Golden Cat</li> </ul>	<ul style="list-style-type: none"> <li>Encroachment</li> <li>Pit sawing</li> <li>Grazing</li> <li>Crop raiding</li> <li>Smuggling of animal through the parks</li> <li>Poaching</li> </ul>	<ul style="list-style-type: none"> <li>One of the few habitats for the worlds remaining mountain gorilla population</li> </ul>

NAME OF SITE	ECOSYSTEM	SIZE	OUTSTANDING FEATURE	MAIN THREATS	GEF JUSTIFICATION
Kibale N. P. and adjacent buffer zone	Low altitude Tropical High Forest	983 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Chimpanzee</li> <li>Other primates</li> </ul>	<ul style="list-style-type: none"> <li>Illegal removal of products</li> <li>Poaching</li> <li>Pit sawing</li> <li>Saw milling</li> <li>Problem animals</li> <li>Illegal forest product removal</li> <li>Wildfires</li> <li>Livestock grazing</li> <li>Fishing within the park</li> </ul>	<ul style="list-style-type: none"> <li>Supports nine species of animals considered to be globally threatened</li> <li>Has the highest primate density in the world</li> </ul>
Rwenzori Mts. N. P. and adjacent buffer zone	Afro Montane Forest	996 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Lobelia</li> <li>High altitude forest</li> <li>Delicate bogs</li> <li>Snow cap mountain</li> </ul>	<ul style="list-style-type: none"> <li>Poaching</li> <li>Illegal forest product removal</li> <li>Agricultural encroachment</li> </ul>	<ul style="list-style-type: none"> <li>World Heritage Site</li> <li>Water catchment</li> <li>Snow feeds water into the Nile</li> </ul>
Semuliki N. P. and adjacent buffer zone	Low Altitude Rainforest	768 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Low altitude forest</li> <li>Hot springs</li> <li>Pygmies</li> <li>Eastern extension of Congo forest belt</li> </ul>	<ul style="list-style-type: none"> <li>Wildfires</li> <li>Problem animal</li> <li>Fishing within park</li> <li>Poaching</li> <li>Illegal forest product removal</li> </ul>	<ul style="list-style-type: none"> <li>Transitional zone between Congo forest and E. African region</li> <li>Contains half of the recorded bird species of the entire Congo basin</li> <li>Located close to postulated Pleistocene forest refugium</li> </ul>
Mt. Elgon N. P. and adjacent buffer zone	Afro Montane Forest	1,192 Km <sup>2</sup>	<ul style="list-style-type: none"> <li>Afro-Montane forest</li> <li>Caldera</li> <li>Lobelia</li> <li>Extensive Afro-alpine and bamboo zones</li> <li>Endemic butterflies and bird species</li> </ul>	<ul style="list-style-type: none"> <li>Poaching</li> <li>Cattle raiding</li> <li>Smuggling (cross-border)</li> <li>Pit sawing</li> <li>Illegal forest product removal</li> <li>Grazing</li> </ul>	<ul style="list-style-type: none"> <li>Extensive Afro-montane with unique vegetation</li> <li>Craters</li> <li>Water catchment area</li> </ul>

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## CALCULATION OF INCREMENTAL COST

### UGANDA: PROTECTED AREAS MANAGEMENT AND SUSTAINABLE

### USE (PAMSU) PROJECT

### INCREMENTAL COSTS AND GLOBAL ENVIRONMENTAL BENEFITS

#### Context and Broad Development Goals

1. Context. Uganda possesses a rich natural endowment of forests, mountains, and waterways, as well as some of the richest assemblages of biological diversity in Africa. Harboring 11% of the world's bird species and more than 7% of total world mammals, Uganda has pursued an ambitious program of protection and conservation that has resulted in an extensive system of protected areas. This system includes ten national parks, and twenty-nine game reserves, sanctuaries, and controlled hunting areas; it is complemented by an extensive forest reserve estate that is also potentially important to biodiversity maintenance. Until the early 1970s, Uganda's protected areas served as the basis for a well-established tourism industry that was the country's third largest foreign exchange earner. Subsequent political strife resulted in the deterioration of a significant proportion of the country's protected area system; wildlife poaching, encroachment in protected areas for foodcrop production and livestock grazing, and land clearing for human settlement have all taken a heavy toll on the natural resource base. A concomitant degradation in physical infrastructure, which previously supported a vital tourism industry, exacerbated the overall sustainability of the protected area system. Wildlife disappeared, tourism revenues fell, habitat became degraded, and local populations – through poverty and economic necessity – reverted to further non-sustainable use of local resources. Notwithstanding these historical trends, the rather extensive system of protected areas remains in good enough condition that, if properly managed, it will provide substantial opportunities for renewed economic growth, contributing positively to social goals of local poverty alleviation as well as to ecological goals such as the maintenance of globally important biodiversity.

2. General Development Goals. The war years have also taken a heavy toll on Uganda's physical infrastructure, economic competitiveness, social conditions, and public sector institutional capacity. To address these areas, Uganda has been following an aggressive program of reforms and interventions that are aimed at laying the groundwork for accelerated future economic growth. Spending on physical infrastructure has been resumed, with a view to providing an economically efficient system of transportation, energy and other services that will improve overall competitiveness. Economic policy reforms in the context of general domestic and international trade liberalization have created renewed incentives for private sector investments. Increased social sector spending in health, education and basic water and sanitation requirements is targeted to ameliorating poverty. In the political field, institutional reforms are being directed to the stream-lining of existing government institutions and to the devolution of decision-making authority to local and District governments; this decentralization policy is entrenched in the *Decentralization Act*, and it has also required, in many cases, strengthening of central institutions to provide the requisite technical support to decentralized authorities. All of these development goals – economic infrastructure improvements, economic liberalization, poverty alleviation, and decentralization of authority and decision-making – are being actively supported by multilateral and bilateral agencies, as well as



international NGOs. Although such activities have been pursued aggressively for less than a decade, progress in all of these areas is promising.

3. The Role of Biodiversity Maintenance in Uganda's Development. Uganda recognizes that maintenance of its biodiversity – the individual species as well as the habitat that supports them – is an important building block in its overall development strategy. GOU has reiterated this in a number of official domestic policies and programs (such as the recently adopted National Environmental Action Plan and the Integrated Tourism Master Plan) as well as through its global commitments relating to conventions on *Biological Diversity*, *Endangered Species (CITES)*, and *Wetlands (Ramsar)*. Specifically, biodiversity maintenance is expected to contribute to overall development goals as follows: (i) the natural resource base provides for renewed economic opportunities for tourism development; (ii) protected areas that are managed for their tourism benefits and local sustainable uses will contribute positively to local poverty alleviation; (iii) infrastructure improvements linked to protected areas will contribute to a liberalized economic climate that provides incentives for private sector and community-level investment; and, (iv) decentralization of decision-making and management related to protected areas will be encouraged through increased local stakeholder involvement - including NGOs, community groups, local enterprises, and local government agencies. This last aspect in particular – the general promotion of a *spatially and institutionally decentralized protected areas system* – is a key feature of Uganda's development philosophy; although this feature leads to certain complexities (e.g., the involvement of many institutions with complementary roles), it is reflected in all design and implementation aspects of the PAMSU project.

#### Baseline Scenario

4. *General Scope.* In the absence of GEF assistance, it is expected that the GOU would nonetheless pursue a relatively aggressive program of protected areas management to meet domestic development objectives. To ensure that a complete range of potential impacts and benefits has been captured, the Baseline has been defined to include a broad range of activities that are either directly or indirectly intended to support the protected areas system. Conceptually, the Baseline can be considered as three separate components, each with somewhat different rationales for their inclusion in the Baseline. The first component (sub-component I in Table A1.1) involves *core institutional and physical infrastructure* to which the GOU is already committed as a means of meeting the country's highest development priorities for maintaining the natural asset base. The second component (sub-component II in Table A1.1) involves *economically justifiable support for tourism related activities*. The third component (sub-components III to VII in Table A1.1) consists of a *series of targeted interventions to specific PA management and education initiatives*, with a view to meeting selected development objectives related to decentralization and the realization of domestic benefits from individual PAs.

5. *Costs.* The total expenditures associated with the Baseline Scenario are estimated to be US\$91.4 million. As detailed in Table A1.1, one of the most substantial components of the Baseline involves the core infrastructure (\$55.0 million). Financing for this has been secured already through various bilateral, multilateral and NGO commitments; it involves such programs as infrastructure support (including access roads) for high priority park areas (e.g., Murchison Falls), high priority research, support for charismatic species (e.g., gorilla projects), and a first round of institutional support to the UWA and other agencies to fulfill their domestic development goals. A second

discrete Baseline activity involves support for economically viable tourism development and for tourism infrastructure associated with the Department of Antiquities and Museums (US\$15.5 million). Also, the targeted programs (totaling US\$20.9 million) involve the following:

- (a) Uganda Wildlife Authority. (US\$18.0 million) Targeted support is provided to UWA for protected areas and wildlife management. Under the Baseline, this amount is directed primarily to core institutional strengthening at the central level (i.e., UWA headquarters) and provides only modest support for decentralized operations in some of the higher priority protected areas. The Baseline also includes support for any resettlement that may be required in implementing the Protected Area System Plan; economically effective and socially responsible resettlement has long been regarded as a national development goal in the interests of poverty alleviation. The level of support would, however, be inadequate to provide effective and complete decentralization of PA management across the entire system as it would initially focus on selected high domestic priority areas.
- (b) Uganda Wildlife Education Center. (US\$1.3 million) GOU would, under the Baseline, provide some targeted support to UWEC to complement information dissemination and education in support of various economically justifiable tourism activities. This level of support, however, would not permit dissemination of information that may be of a higher international priority, nor would it provide for extensive education initiatives at a more decentralized level.
- (c) Forest Ecotourism. (US\$133,000) Under the Baseline, it is anticipated that some modest level of support would be given at a centralized level to the Forest Department, with a view to complementing tourism interventions elsewhere. It would not provide for decentralized support that might be necessary for initiating programs in specific Forest Reserves.
- (d) Wildlife Department. (US\$33,000) The GOU has identified some basic upgrading of equipment that it would undertake to ensure that the Wildlife Department could interact effectively with other institutions. This would not, however, provide for any programmatic spending in decentralized activities.
- (e) Uganda Wildlife Training Institute. (US\$806,000) GOU is committed to strengthening this recently-established institution, to meet the immediate and long-term training needs of the PA and wildlife management sector in Uganda. The focus will be on human resource development and support for actual training activities. Some expansion of existing facilities at Katwe may be undertaken.
- (f) Project Administrative Support. (US\$729,000) This includes administrative support for the above Baseline activities over a five year period.

6. *Benefits*. It is anticipated that the PAMSU project will significantly impact Uganda's ability to undertake the conservation and protection of its biodiversity and environmental assets. Under the Baseline Scenario, institutional capacity and human resources will be developed to enable management and conservation of biodiversity, including improved capacity for management, research and policy development, planning and monitoring of Uganda's protected area system, as

well as improved and rehabilitated facilities and infrastructure. These benefits, along with improved maintenance and management of Uganda's cultural assets, will contribute to both conservation and tourism development, will provide a foundation for longer-term benefits of returns from a significantly increased level of tourism, and will contribute to GOU goals of strengthened institutional capacity at all levels of government, improved fiscal sustainability, and a supportive environment for private sector development. Other components of the project will support the primary focus of protecting and managing biodiversity, by providing essential staff training, public education, community participation, local capacity, accessible information, and efficient project coordination. In addition to domestic benefits, the Baseline Scenario will contribute to effective conservation and protection of globally significant biodiversity and environmental assets.

7. *Domestic Opportunity Costs and Potential Offsets.* Considerable debate exists over the level of opportunity costs incurred by placing land into a protected area system. It is generally acknowledged that the protected area system does impose some losses on the country, although there is substantial uncertainty and disagreement among analysts regarding the level of these costs. First, farmers near protected area boundaries suffer crop and stock losses which can be attributed to wildlife in the protected areas. These losses have been valued as high as US\$75 million annually; however, this value is based on unreliably low samples and considerable uncertainty about losses further from protected areas. Second, the opportunity costs of land may be a significant long run consideration. While not all arable land in Uganda has yet been taken up for agriculture and grazing, local land constraints in the region of some protected areas already exist, and will intensify as population increases. It is projected that land availability will become a binding constraint in 15 to 30 years; at that point, economic pressures to convert land to non-protected uses will become difficult to resist for any domestic government. Depending upon assumptions relating to the timing and extent of land constraints, the opportunity costs of retaining protected areas for biodiversity conservation are estimated by various sources at a net present value of from US\$200 million to US\$1,100 million. Third, offsetting these concerns, however, estimates of local benefits associated with tourism, improved functioning of watersheds for water supply, and maintenance of other ecological functions are of a similar order of magnitude; some aggregated estimates of these (also uncertain) amounts are well in excess of US\$1,000 million. Analytically, all of these opportunity costs (and benefits) accrue to the Baseline Scenario. The Baseline Scenario project design does, however, provide some mitigative programs to limit losses. The potentially high estimates for future opportunity costs underline, however, how essential it is for the global community to provide GEF assistance now to conserve biodiversity.

### **Global Environmental Objective**

8. The global environmental objective of the GEF Alternative is to ensure the effective, long-term conservation of Uganda's biodiversity in the face of competing economic pressures. Protection will be ensured over a wide range of ecosystem types, including wetlands, swamps, tropical high forests, Afroalpine forests, grass and woodland savannahs, and internationally important lakes and rivers. Uganda is the fourth most densely populated country in Africa, 89% rural, with 85 people per square kilometer, largely dependent on smallholder agriculture for sustenance, and with a steep population growth rate. At the same time, Uganda ranks in the top ten nations in Africa in terms of species numbers for all major groups, and among the top ten in the world for mammals, including over half of the known world population of mountain gorilla. Its concentration of biological wealth

offers exceptional opportunities to achieve global biodiversity conservation objectives cost-effectively. The project design is consistent with guidance from the Conference of the Parties as it addresses in situ conservation as it includes: (i) capacity building; (ii) strengthening the conservation, management, and sustainable use of ecosystems and habitats; (iii) strengthening the involvement of local and indigenous people; and, (iv) integrating social dimensions including those related to poverty.

### GEF Alternative

9. *Scope.* With GEF assistance for addressing the global biodiversity objectives outlined above, the GOU would be able to undertake a more effective program that would generate both national and global benefits. The major thrust of the incremental activities would be to address a number of targeted initiatives that improve the decentralized management of the complete PA system. As noted previously, the Baseline Scenario concentrates on core infrastructure and on centralized institutional strengthening that is a prerequisite for eventual support to decentralized management structures and projects. The decentralized programs supported under the Baseline, however, generally focus on charismatic species, high profile park areas, or activities that generate immediate financial returns in the tourism sector. Under the GEF Alternative, GOU can provide more support to decentralized activities, in particular to those habitats that may be of high priority from a global perspective but which do not yield substantial domestic benefits. As has been demonstrated in protected area systems around the world, decentralized activities often contribute substantially to the overall sustainable management of the protected areas and to an overall improved level of effective protection.

10. *Costs.* The total expenditures associated with the GEF Alternative are estimated to be US\$106.8 million. Under the GEF Alternative, the program would still comprise the following Baseline components with no changes or additions to them: (i) Core Institutional and Physical Infrastructure (US\$55.0 million); (ii) Tourism Development and Department of Antiquities and Museums (US\$15.5 million); and, (iii) Uganda Wildlife Training Institute (US\$806,000). In addition, the program would involve expanded components of a number of the targeted activities, as follows:

- (a) Uganda Wildlife Authority. (US\$31.0 million) In addition to the Baseline activities, substantially higher support would be given to the decentralized system of management for PAs. Some additional support would be given to headquarters to facilitate this liaison, but most would be dedicated to field operations, to UWA community programs, and to the implementation of the PA System Plan in areas that are of lower domestic priority but are of greater international interest.
- (b) Conservation Education. (US\$2.6 million) An expanded program would permit approximately doubling the scale of conservation education activities. In addition to the Baseline activities, additional support would be given to UWEC to permit dissemination of information of international importance. In addition, it would see the Wildlife Clubs of Uganda implement decentralized pilot programs in a number of protected areas.

- (c) Forest Ecotourism. (US\$634,000) An expansion of this program would see the initiation of decentralized activities in a number of Forest Reserves, to be selected by the Forestry Department.
- (d) Wildlife Department. (US\$122,000) In addition to the institutional liaison role defined in the Baseline, the expanded program would permit programmatic spending in decentralized activities.
- (e) Project Administrative Support. (US\$1,229,000) This includes expanded administrative support to accommodate the additional activities in the GEF Alternative over a five year period.

11. *Benefits*. The GEF Alternative incorporates the substantial benefits (and implicit opportunity costs) of the Baseline Scenario, and will enable further beneficial outcomes beyond those already specified. In addition to the Baseline benefits, incremental benefits to the global community include the ability to sustain a comprehensive protected area system which is capable of conserving and sustaining globally significant and representative biodiversity, despite competing economic pressures on the land base. GEF assistance will enable Uganda to protect and to utilize sustainably the country's biodiversity beyond a nationally justified and affordable level. Improved revenue generation from sustainable ecotourism, a project goal, is not anticipated to be sufficient to protect areas of lower tourism potential containing critical biodiversity resources. GEF investment in conservation education will lead to long-term willingness to pay for conservation benefits due to improved public awareness. Global benefits will include enhanced monitoring and information exchange through improved record-keeping, and effective capacity to preserve endangered species through the ability to fulfill international biodiversity conservation treaty obligations under CITES. Continued protection of many additional ecological functions, and of option and existence values, is an unquantified but large benefit to the global community.

12. It is estimated that incremental domestic benefits of US\$5.408 million will be realized in the GEF Alternative case.<sup>1</sup> These benefits include incremental local sustainable direct uses, distributional benefits, incremental protection of ecological functions, and preservation of domestically significant option values. While some direct uses of forests, such as pit-sawing timber extraction, were at unsustainable levels prior to inclusion in the protected area system, and some traditional uses are incompatible with biodiversity conservation, others, such as honey production, have been enhanced by protection of the environment. Overall, the incremental portion of local direct use of natural products of protected areas is valued at US\$1.533 million. Some domestic incremental distributional benefits are realized from conservation employment, which has offset the loss of previous unsustainable economic activities in the areas now protected; these benefits are valued at US\$0.113 million. Maintenance of domestic fisheries through the watershed protection

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<sup>1</sup> This amount excludes potential domestic benefits from game harvesting, some of which may occur in any event in the Baseline Scenario. The incremental potential, over the long term, involves a potential gross revenue of US\$175,000 annually once game levels recover. Net revenues would be less than this, and incremental revenues with respect to the Baseline would decrease the amount further. At most, it is expected to have a domestic net present value of about US\$0.5 million; because the GOU has indicated that this benefit is highly uncertain and not of a high priority, however, it is effectively zero-weighted and excluded from the benefit adjustment.

afforded by the intact forests of the protected area system is valued at US\$0.725 million. Additionally, enhanced maintenance of water sources and local rainfall for agriculture may also be attributed to watershed protection, but these benefits have not been adequately demonstrated and have therefore not been quantified. Finally, the domestic coffee industry benefits from the option value afforded by conservation of wild genetic stocks, valued at US\$3.038 million.

### **Incremental Costs**

13. *Incremental Expenditures.* The total expenditure under the Baseline Scenario is estimated to be US\$91.4 million while the total expenditure under the GEF Alternative is estimated to be US\$106.8 million. The incremental expenditures under the GEF Alternative are therefore US\$15.4 million. The majority of expenditures (84%) is attributable to decentralized activities of UWA, while 9% is attributable to enhanced conservation education efforts.

14. *Incremental Costs.* The incremental expenditures of US\$15.4 million are partially offset by an incremental domestic benefit of US\$5.4 million. This benefit would not have been realized in the Baseline Scenario, and is primarily associated with sustainable direct uses, distributional benefits, protection of ecological functions, and preservation of domestically significant option values. The net result is that the incremental cost of the GEF Alternative is US\$10.0 million, for which GEF assistance is requested. The allocation of these amounts, and the resultant financing structure for the GEF Alternative as a whole, is summarized in Table A1.2.

15. *Cost-effectiveness.* While no complete monetization of the global benefits of such an intervention has been completed, it is possible to provide some indication of the cost-effectiveness of such a GEF intervention. It is estimated that the intervention translates to an annualized cost of US\$180/km<sup>2</sup>/yr of effective protection; this reflects the basic hypothesis that improved decentralized measures will ensure protection of a wider range of species and habitats (approx. 1.3 million ha phased in over 30 years) than otherwise would be the case. The literature indicates that typical conservation expenditures around the world reflect international interventions corresponding to approximately US\$20/km<sup>2</sup>/yr to US\$2,000/km<sup>2</sup>/yr of protection. In the case of Uganda, therefore, the substantial investments in the Baseline Scenario, which are targeted to meeting domestic development priorities, provide an opportunity for the international community to obtain high efficiency for its conservation expenditures.

**TABLE A1.1 – PAMSU INCREMENTAL COST DETERMINATION**  
(US \$ MILLION)

Component	Category	Expenditure	Domestic Benefit	Global Benefit
I. Core Institutional & Physical Infrastructure	Baseline	US\$54.960	Improved capacity for management, research & policy development, planning & monitoring of PA system; improved facilities and infrastructure.	Provision of capacity for effective conservation of globally significant biodiversity and environmental assets.
	With GEF Alternative	US\$54.960	As above.	As above.
	<b>Incremental</b>	<b>US\$0.000</b>	<b>US\$0.000</b>	<b>-</b>
II. Tourism Development + Dep't of Antiquities & Museums	Baseline	US\$15.469	Improved maintenance & management of natural & cultural assets; promotion of public & private sector partnerships in enhanced conservation and tourism development; increased tourism returns.	Preservation of globally significant natural and cultural assets.
	With GEF Alternative	US\$15.469	As above.	As above.
	<b>Incremental</b>	<b>US\$0.000</b>	<b>US\$0.000</b>	<b>-</b>
III. Protected Areas & Wildlife Management	Baseline	US\$17.999	Conservation and protection of nationally important biodiversity and environmental assets.	Support of better management and protection of biodiversity.
	With GEF Alternative	US\$30.981	Improved sustainable direct use of forest products, enhanced maintenance of water quality and local rainfall for agriculture and fisheries, option value from conservation of genetic stocks of domestically significant species.	Establishment and maintenance of a comprehensive and representative protected area system capable of sustainably conserving globally significant biodiversity despite competing economic pressures.
	<b>Incremental</b>	<b>US\$12.982</b>	<b>US\$5.408</b>	<b>-</b>
IV. Conservation Education	Baseline	US\$1.257	Fulfillment of domestic conservation education needs.	Improved biodiversity conservation through education.
	With GEF Alternative	US\$2.593	As above.	Higher levels of conservation; enhanced monitoring and information exchange through improved record-keeping.
	<b>Incremental</b>	<b>US\$1.336</b>	<b>US\$0.000</b>	<b>-</b>

V. Forest Ecotourism	Baseline	US\$0.133	Improved local economic capacity.	
	With GEF Alternative	US\$0.634	As above.	Conservation of biological resource base through sustainable use.
	<b>Incremental</b>	<b>US\$0.501</b>	<b>US\$0.000</b>	-
VI. Wildlife Department	Baseline	US\$0.033	Strengthened technical support and GOU institutional capacity.	
	With GEF Alternative	US\$0.122	As above.	Capacity to carry out biodiversity conservation policy, planning & monitoring; fulfil CITES obligations.
	<b>Incremental</b>	<b>US\$0.089</b>	<b>US\$0.000</b>	-
VII. Uganda Wildlife Training Institute	Baseline	US\$0.806	Meeting GOU high priority training needs in wildlife management to yield immediate domestic benefits.	
	With GEF Alternative	US\$0.806	As above.	Increased biodiversity conservation through enhanced capacity for wildlife management.
	<b>Incremental</b>	<b>US\$0.000</b>	<b>US\$0.000</b>	-
VIII. Project Administration & Support	Baseline	US\$0.729	Efficient administration of project funds, coordination of implementing institutions, and evaluation of progress.	
	With GEF Alternative	US\$1.229	Effective use of global resources to sustain global biodiversity benefits.	
	<b>Incremental</b>	<b>US\$0.500</b>	<b>US\$0.000</b>	-
Totals	Baseline	US\$91.386		
	With GEF Alternative	US\$106.794		
	<b>Incremental</b>	<b>US\$15.408</b>	<b>US\$5.408</b>	-
Summary Calculation for GEF Eligibility	<b>Incremental Expenditure</b>		<b>US\$15.4</b>	-
	<b>Incremental Domestic Benefit</b>		<b>(US\$5.4)</b>	-
	<b>Incremental Cost</b>		<b>US\$10.0</b>	-



TABLE A1.2 – PAMSU FINANCING (US\$ MILLION)

	GEF	IDA	GOU	Other*	Total
I. Core Institutional & Physical Infrastructure (Committed)	0.000	0.000	0.000	54.960	54.960
II. Tourism Development + Dep't of Antiquities & Museums	0.000	11.564	3.905	0.000	15.469
III. Protected Areas & Wildlife Management	(7.574)	(18.962)	(4.445)	(0.000)	(30.981)
a. UWA Headquarters Operations	1.000	12.362	2.161	0.000	15.523
b. UWA Field Operations	3.225	5.174	2.211	0.000	10.610
c. UWA Community Programs	0.496	0.000	0.035	0.000	0.531
d. Protected Area System Plan Implementation	2.853	1.426	0.038	0.000	4.317
IV. Conservation Education	(1.336)	(0.787)	(0.470)	(0.000)	(2.593)
a. Uganda Wildlife Education Center	1.000	0.787	0.470	0.000	2.257
b. Wildlife Clubs Pilot Projects in PAs	0.336	0.000	0.000	0.000	0.336
V. Forest Ecotourism	0.501	0.000	0.133	0.000	0.634
VI. Wildlife Department	0.089	0.000	0.033	0.000	0.122
VII. Uganda Wildlife Training Institute	0.000	0.664	0.142	0.000	0.806
VIII. Project Administration & Support	0.500	0.500	0.229	0.000	1.229
<b>Total Financing Requirements**</b>	10.000	32.477	9.357	54.960	106.794

\* Includes other committed funding through bilateral and multilateral donors, plus concomitant GOU counterpart contribution.

\*\* Above amounts exclude the following sunk costs related to project preparation: GEF/PDF Block B Grant = US\$289,000; IDA Project Preparation Funding = US\$2.0 million.

LETTER OF COUNTRY ENDORSEMENT  
BY DESIGNATED OPERATIONAL FOCAL POINT

Telephones: Minister:  
Kampala 243034 & 232370  
Office:  
Kampala 234700/9 (10 Lines)  
Telex: 81170  
Telegrams: "FINSEC"  
In any correspondence on MF/16  
this subject please quote no.



Ministry of Finance and  
Economic Planning,  
P.O. Box 8147,  
Kampala,  
Uganda.

Ms. Johnson

16th October, 1995

Ms Sushma Ganguly  
Chief Agriculture and Environment Division  
East African Department  
The World Bank  
1818 H Street N.W  
Washington, D.C. 20433  
USA

Fax to: Phil

Dear Ms. Sushma Ganguly,

RE: SUPPORT FOR THE WORLD BANK - GEF PDF APPLICATION

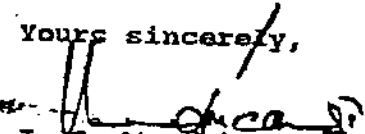
I am writing to confirm that the Government of Uganda has reviewed and supports the PDF B application for preparation of a possible GEF grant component of the planned IDA Protected Area Management and Sustainable Use project, covering both the completion of a biodiversity strategy and action plan and activities for which incremental cost assistance from the GEF appear warranted based on the present plans and economic interest of the Government.

I am aware of the many forms of assistance from bilaterals and the UN system that Uganda has obtained to help lay the foundation for a biodiversity strategy and I am confident that the funding level proposed is adequate to integrate existing data and reports into a framework for policy and action.

Please be assured that the Ministry of Tourism, Wildlife and Antiquities is the appropriate focal point for the development and sponsorship in Uganda of the proposed project and biodiversity policy and planning instruments.

I trust that your defense of our PDF application to the GEF Secretariat will be successful.

Yours sincerely,

  
J. S. Mayanja-Nkangi  
MINISTER OF FINANCE & ECONOMIC PLANNING

cc Hon. Moses Ali  
3rd Deputy Prime Minister/Minister of  
Tourism, Wildlife and Antiquities.

TECHNICAL REVIEW  
UGANDA: PROTECTED AREAS MANAGEMENT AND SUSTAINABLE USE

MEMORANDUM

February 28, 1997

To: Mr. Robin Broadfield, World Bank  
Cc: Mr. Agi Kiss, World Bank Task Master  
Re: **UGANDA: Protected Areas Management and Sustainable Use**

I am pleased to submit my assessment of the above cited project proposal:

**Key issues**

1. Scientific and Technical Soundness of the Project. The measures proposed in the project are based upon current scientific knowledge and technical best practice. While the restoration of wildlife communities and habitats is complex, sufficient is known to guide this bold effort. Scientists are not in full agreement on how best to go about restoration, nor on the most appropriate goals to seek. The proposal could be strengthened by adding some methodological steps which include "adaptive management", monitoring and assessment using pre-established biological and managerial indicators, and periodic evaluation of the status and trends in recovery of the ecosystems.
2. Identification of the Global Environmental Benefits. The proposal makes a solid case for the need to supplement the noteworthy efforts of the Government of Uganda (GOU) with additional investment on the part of the GEF in order to address the goals of the Convention on Biological Biodiversity (CBD). Specifically, the baseline program of the GOU, while laudable in addressing national goals under the constraints of available means, would not be able to provide protection and management of the full set of key protected areas desirable to meet the goals of the CBD (art.8); nor would national efforts be able to cover the costs of a wide spread awareness program needed to gain political and popular support for this wider program.
3. Fit of the Project within GEF Goals. The objectives and measures proposed fit well within the GEF Operational Guidelines. It responds to the directives of the COP. Specifically, the proposed investments and activities will assist Uganda to: strengthen its in-situ conservation measures, develop local community-based initiatives from which to derive local benefit, create participatory mechanisms and co-management options, long-term financial opportunities to help fund biodiversity management via tourism, and develop the human, institutional, policy, and infrastructural capacity to carry out the above.
4. Regional Context. Protected areas and associated sustainable use activities are also being strengthened and established in neighboring countries, e.g., Kenya and Tanzania. Further, regional initiatives are under way for shared ecosystems, e.g., Lake Victoria.

5. Replicability. The fundamental work of the project in the restoration of depleted protected areas, the sorting out of areas that have witnessed civil strife and invasion, the restoration of habitats and wildlife communities, and the development of community-based co-management activities, are all of interest elsewhere in Africa and in other regions. Thus, learning from this project will be of widespread interest. The methods and mechanisms developed and tested in this work can be expected to be applicable in future situations elsewhere as population pressures, agricultural expansion, and the declining capacity of central governments to manage natural resources begin to endanger biodiversity and impoverish biological resources.

6. Sustainability of the Project. In the first instance, the sustainability of the project rests on the re-establishment and growth of the tourist industry. This will depend upon the restoration of the wildlife and the infrastructure. In the longer term, sustainability will depend upon a citizenry committed to wildlife conservation, and established mechanisms whereby communities have realistic opportunities to participate in the "bio-economy" that can surround the protected areas and other biodiversity-rich areas (forest reserves, Lake Victoria, etc.). The project objectives, activities and budget appear to have contemplated these provisions adequately and comprehensively. There is an inherent risk to sustainability in the project, where re-location of rural communities is involved. On the one hand, meeting the objectives of biodiversity conservation may require that critical habitats and sensitive ecosystems be free of human settlement and direct use; the courageous intention to take necessary steps in such cases is to be praised and fully endorsed. On the other, however, such action will more than likely bring criticism and concerns within the affected communities, human rights advocates, and other social groups whose concerns are with the welfare of rural communities. Few aspects of the project warrant greater care, careful cooperative planning and management, and constant contact between central and local authorities, and local communities, than this item.

7. Indicate the Extent to which this Project will Contribute to Improved Definition of GEF Strategies and Policies. This project can contribute in several ways. Perhaps most significantly, this project can develop strategies and policies for dealing with regions where the biodiversity and biological resources have been impoverished but retain significant national and global value. Unfortunately, this context can be expected to arise with increasing frequency in the future. Restoration of wildlife communities, establishment of new cooperative mechanisms with local residents and Ngos for management of selected species and habitats, the organization of management around whole ecosystems and bioregions, new participatory approaches to planning and the implementation of agreed activities, and the gradual development of funding tools that capture economic rents and help finance certain expenses, are components of 21<sup>st</sup> Century management. This project can contribute significantly to that agenda.

## Secondary Issues

1. Linkages to Other Focal Areas. Little reference is made in the proposal regarding the benefits of this work in terms of carbon sequestration, and the protection of watersheds

critical to international waters. This should be strengthened as a valid and significant linkage to other global goals.

2. Linkages to Other Programs and Action Plans at Regional and Sub-regional Levels. Again, this proposal contains elements, e.g., the national protected area system, and tourism circuits, that form components of the wider East Africa effort being supported by the Governments of Kenya and Tanzania, and by other GEF and bilateral projects. It forms an important part of the whole.
3. Other Beneficial Environmental Effects. The restoration of adequate protected area management will provide significant ecosystem services, including restored and maintained water regimes, including waters that flow into lakes that yield important food supplies; and, restored and maintained humidity and local climate effects in surrounding regions.
4. Degree of Involvement of Stakeholders in the Project. The early development of the project concept involved extensive discussion with governmental agencies, field personnel, Ngos, scientists and rural communities. The project design shows the benefit of this process. The planned activities continue this process of open dialogue and consultation.
5. Innovativeness of the Project. As a proposal to the GEF, I find this the best that I've had the opportunity to assess through the STAP mechanism. This is owed to (a) its explicit treatment of "incremental costs," which makes the CBD concept clear and compelling; and (b) how it analyzes the role and niche of protected areas in addressing the goals of the CBD, in terms of national priorities, and global interests. The project itself contributes to our experience in dealing with the challenges surrounding restoration of species, professional personnel capacity, habitats, and institutions.

NOTE:

- A. In the footnote on p. 9, "Several donors.....etc., Reference should also be made to the contribution of the Netherlands and NORAD through IUCN to Uganda National Parks.
- B. In the final bulleted paragraph, of paragraph #43, Local and International Ngos, reference should be made to the work of IUCN's on-the-ground pilot program at Mt. Elgon National Park, and its support and facilitation of the national task force charged to study how the concept of "collaborative management" could be incorporated into national policy and legislation.